

**CITY OF POMPANO BEACH
GENERAL EMPLOYEES' RETIREMENT SYSTEM
INVESTMENT PERFORMANCE ANALYSIS
SECOND QUARTER 2013**

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CITY OF POMPANO BEACH GENERAL EMPLOYEES' RETIREMENT SYSTEM

INVESTMENT PERFORMANCE ANALYSIS

JUNE 30, 2013

TABLE OF CONTENTS

TAB 1 EXECUTIVE SUMMARY

TAB 2 TOTAL FUND ANALYSIS

TAB 3 DOMESTIC/INTERNATIONAL EQUITY PORTFOLIO ANALYSIS

TAB 4 REAL ESTATE PORTFOLIO ANALYSIS

TAB 5 FIXED INCOME PORTFOLIO ANALYSIS

Executive Summary

CITY OF POMPANO BEACH GENERAL EMPLOYEES' RETIREMENT SYSTEM

Quarter Ending June 30, 2013

I. MARKET ENVIRONMENT

Index	Second Quarter	1 Year	3 Year
Standard & Poor's 500 Index	2.9%	20.6%	18.5%
MSCI EAFE Index (Net)	-1.0%	18.6%	10.0%
NCREIF Index	2.9%	10.7%	13.1%
CSFB Hedge Index	0.1%	5.2%	2.5%
Barclays U.S. Aggregate	-2.3%	-0.7%	3.5%
91 Day Treasury Bills	0.0%	0.1%	0.1%
Consumer Price Index	0.3%	1.8%	2.3%

With investors now accustomed to the accommodative "easy money" policies of the U.S. Federal Reserve, hints of an eventual end to rock-bottom borrowing rates sent interest rates jumping upward and propelled equity markets into a tailspin in late June, providing a volatile, jarring end to an otherwise fairly strong second quarter of 2013 for U.S. equities. The Consumer Price Index, All Urban Consumers, rose 0.3% in the second quarter of 2013, with Food and Energy components only accounting for 0.06% of that rise. Crude oil prices edged down -0.7% over the quarter, closing at \$96.56 per barrel on June 28. Gold tumbled -23.4% in the second quarter, ending its fall at \$1,223.80 per troy ounce.

Equities: The U.S. stock market, represented by the S&P 500 posted a total return of 2.9% for the quarter. Small capitalization stocks have outperformed larger stocks (Wilshire U.S. Large-Cap, 2.7%; Wilshire U.S. Small-Cap, 2.8%) in the first half of 2013. Among large-cap stocks, value-oriented issues outperformed growth equities (Wilshire U.S. Large-Cap Value, 3.5%; Wilshire U.S. Large-Cap Growth, 1.9%); however, the heightened interest-rate sensitivity of small-cap value stocks led to these issues underperforming small-cap growth equities (Wilshire U.S. Small-Cap Growth, 4.6%; Wilshire U.S. Small-Cap Value, 1.3%). The best-performing economic sectors of the Wilshire 5000 in the second quarter reflected stronger consumer sentiment and increased spending; Consumer Discretionary, Financial and Health Care stocks led other sectors with returns of 7.5%, 5.3% and 4.1% respectively. The weakest-performing sector was Materials, with a -2.9% return for the quarter; the Utilities sector, a rally leader in the first quarter of 2013, gave back some of its gains with a -2.2% return for the second quarter.

Fixed Income: Bond yields drifted lower in April, with the bellwether 10-year U.S. Treasury hitting a near-term low of 1.7% on May 1. Subsequently, yields climbed sharply higher, with the 10-year Treasury closing the quarter at 2.5%, fully 0.7% higher than its March 28 close. The overnight Fed Funds rate remains bound to its 0.0%-0.25% range, which kept very short-term rates basically static over the second quarter of 2013. However, the two-year U.S. Treasury yield managed to nudge up 0.1% to 0.4%, while thirty-year Treasury yields jumped up 0.4% to close the quarter at 3.5%; unsurprisingly, long-term bonds broadly underperformed shorter-term paper (Barclays U.S. Treasury 1-3 Years, -0.1%; Barclays U.S. Treasury Long, -5.6%). Spreads widened in non-Treasury credits, dampening performance in these sectors relative to Treasuries (Barclays U.S. Treasury, -1.9%; Barclays U.S. Corporate Investment-Grade, -3.3%)

Alternatives: Hedge funds have been peppered with increasingly critical press focusing on corporate governance and poor net-of-fee performance. The July 2013 Bloomberg cover story "The Hedge Fund Myth" zeros in on the hefty fees paid to hedge managers and the paltry returns earned by investors in the past five years (Bloomberg, July 2013). With net inflows of \$14.5 billion during 2Q13, the hedge industry hit another record with \$2.4 trillion in total assets as of June 30th 2013 (Hedge Fund Research, July 2013).



II. Live Universe Comparisons and Reporting

Wilshire Public Plan Sponsor Universe



Number of Plans	170
Median Size	\$85.2 Million
Total Assets	\$498.1 Billion
Total Plans over \$1 Billion	30
Total Plans between \$100 - \$1,000 Million	49
Total Plans between \$20 Million - \$100 Million	60
Total Plans under \$20 Million	31

About Wilshire Associates

The Wilshire Cooperative is collaboration between Wilshire Associates and more than 60 independent investment consulting firms. Wilshire provides advanced performance measurement and attribution reporting systems to participating firms while Cooperative members provide asset and performance data for their sponsor clients. These are then pooled into peer groups for comparative purposes. Today, the Wilshire Cooperative is the standard utilized by over 1300 plan sponsors with assets over \$743 billion dollars.

Our Universe Comparisons

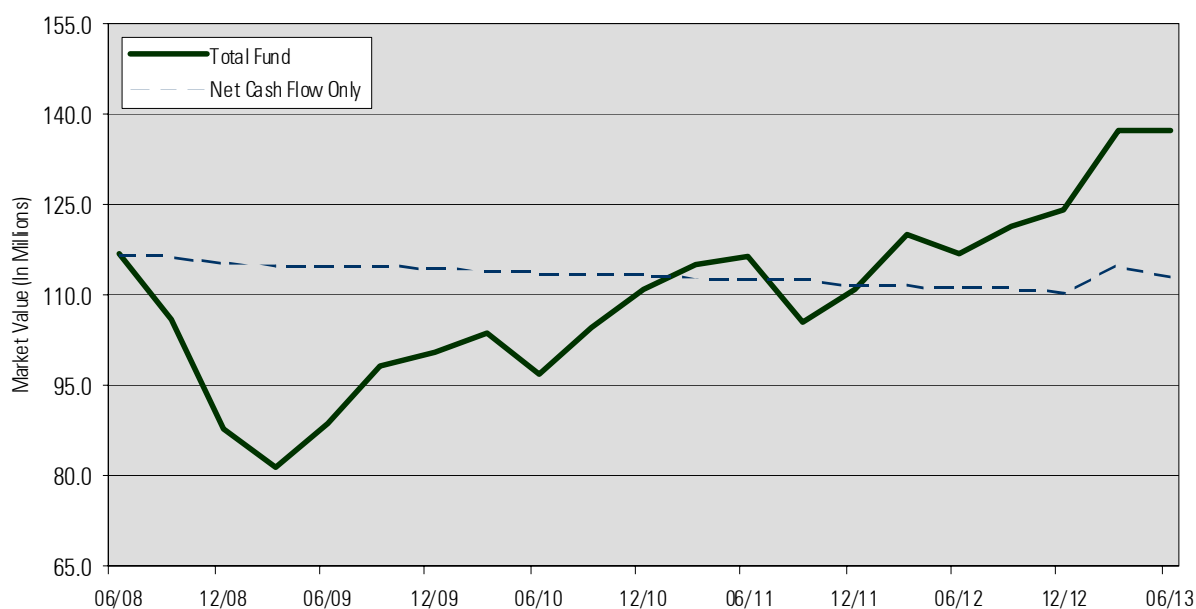
As a Wilshire affiliate, we are granted access to large and diverse peer comparisons, including total fund, portfolio-level, and style-based universes. The Wilshire Public Fund Universe (above) includes the actual, live results of over 170 public pension systems across the country. These are real public funds who face similar investment restrictions and guidelines to your own. These peer-to-peer performance comparisons are critical to the evaluation process.

Our Reporting

Unique to Southeastern Advisory Services is our customized reporting platform. We have the ability to accurately calculate performance against virtually any benchmark, comparison or metric. These industry-leading tools include sophisticated attribution analyses and holdings-based style and characteristic analysis. Our goal is to deliver a clear, easily-understood picture of performance that fairly assesses the effectiveness of your investment policy, strategy and managers. Each performance report is fully-customized based on your input. We welcome your requests and suggestions.



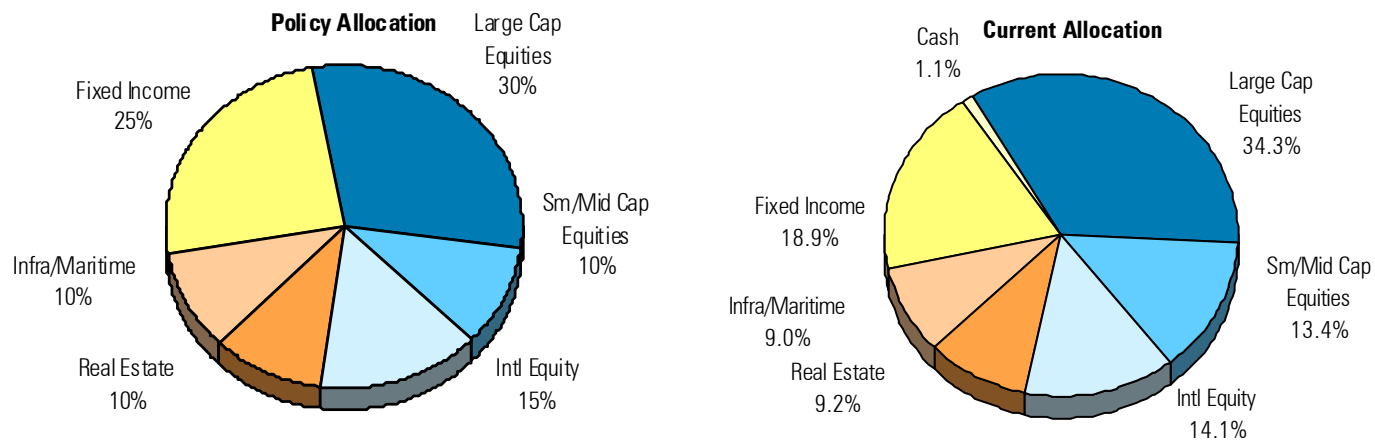
III. PORTFOLIO GROWTH- PERIOD ENDED JUNE 30, 2013



Period Ending	Beginning Value \$(000)	Net Cash Flow	Net Gain/Loss	Ending Value \$(000)	Quarterly Return	Fiscal Yr Return
Sep-08	116,671	-210	-10,276	106,185	-8.8%	-15.8%
Dec-08	106,185	-1,328	-17,143	87,713	-16.3%	
Mar-09	87,713	-84	-5,993	81,636	-6.8%	
Jun-09	81,636	12	7,153	88,801	8.8%	
Sep-09	88,801	-212	9,915	98,504	11.6%	-5.3%
Dec-09	98,504	-475	2,523	100,552	2.6%	
Mar-10	100,552	-219	3,343	103,676	3.4%	
Jun-10	103,676	-456	-6,139	97,081	-5.6%	
Sep-10	97,081	32	7,418	104,530	7.3%	7.5%
Dec-10	104,530	-377	6,867	111,021	6.8%	
Mar-11	111,021	-548	4,484	114,956	3.9%	
Jun-11	114,956	-181	1,757	116,532	1.6%	
Sep-11	116,532	-19	-11,114	105,400	-9.2%	2.5%
Dec-11	105,400	-994	6,805	111,211	6.5%	
Mar-12	111,211	-148	8,883	119,946	8.0%	
Jun-12	119,946	-420	-2,715	116,812	-2.1%	
Sep-12	116,812	0	4,691	121,503	4.2%	17.5%
Dec-12	121,503	-639	3,511	124,375	2.8%	
Mar-13	124,375	4,419	8,591	137,386	6.8%	
Jun-13	137,386	-1,584	1,666	137,469	1.3%	11.1%
Total	116,671	-3,431	24,228	137,469	25.0%	
Absolute Return Objective:						8.0%

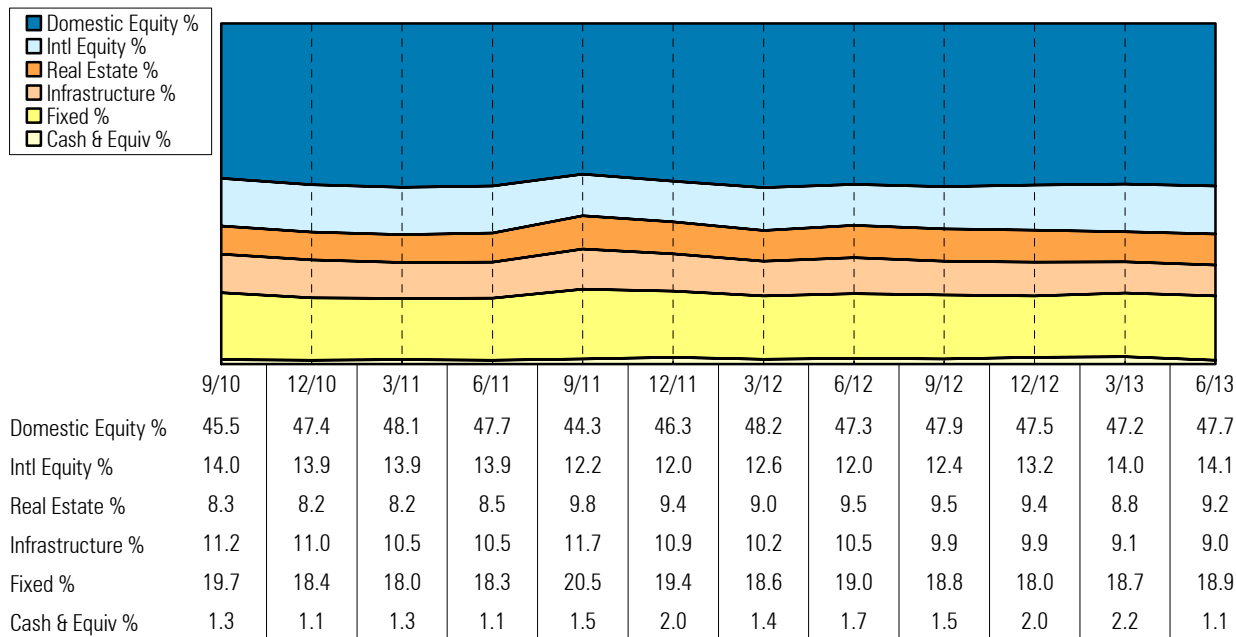


IV. ALLOCATION OF ASSETS



Asset Class	Target Range	Quarter End Allocation	Median Public Plan
Domestic Equity Securities	25%-55%	47.7%	45.1%
Intl Equity Securities	10%-25%	14.1%	13.6%
Real Estate	5%-15%	9.2%	2.9%
Fixed Income Securities	15%-35%	18.9%	25.8%
Infrastructure	5%-20%	9.0%	0.0%
Cash Equivalents	N/A	1.1%	12.6%

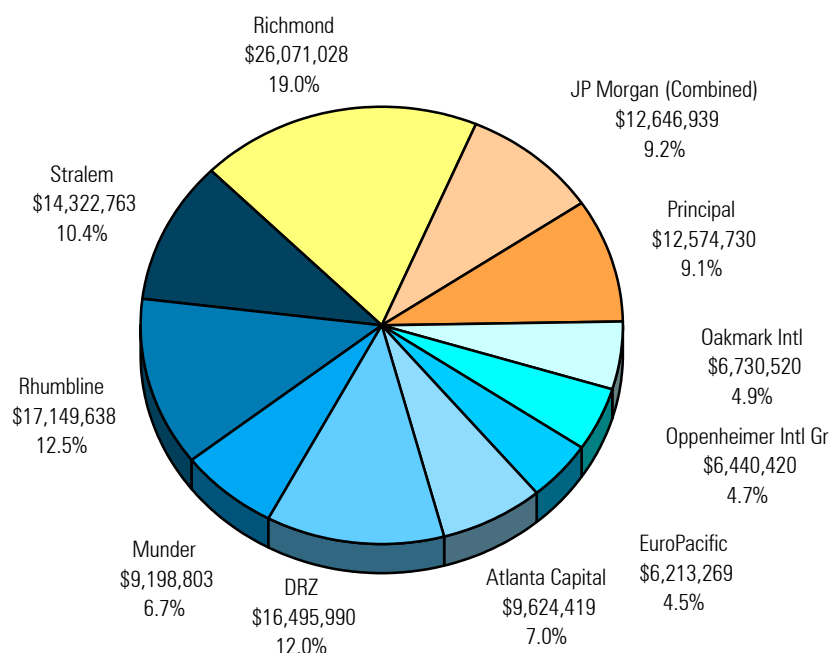
Historical Asset Allocation



Manager	Dom. Equity	Intl Equity	Real Estate	Infrastructure	Fixed Inc	Cash
DePrince, Race, and Zollo	97.9%	0.0%	0.0%	0.0%	0.0%	2.1%
Rhumblin	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Stralem Large Cap	96.4%	0.0%	0.0%	0.0%	0.0%	3.6%
Munder Capital	99.6%	0.0%	0.0%	0.0%	0.0%	0.4%
Atlanta Capital	96.0%	0.0%	0.0%	0.0%	0.0%	4.0%
EuroPacific Growth	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
Oakmark International	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
Openheimer Intl Growth	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
Principal U.S. Property	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
JP Morgan Infrastructure	0.0%	0.0%	0.0%	98.7%	0.0%	1.3%
JP Morgan Maritime	0.0%	0.0%	0.0%	68.4%	0.0%	31.6%
Richmond Capital	0.0%	0.0%	0.0%	0.0%	99.4%	0.6%
Total Fund	47.7%	14.1%	9.2%	9.0%	18.9%	1.1%



V. MANAGER ALLOCATION AND CASH FLOWS- Quarter ending June 30, 2013



Manager	Beginning Value	% Alloc	Cash In	Cash Out	Gain/Loss	Ending Value	% Alloc
DePrince, Race, and Zollo	\$16,546,906	12.0%	\$0	(\$739,370)	\$688,454	\$16,495,990	12.0%
Rhumblin	\$16,707,265	12.2%	\$0	\$0	\$442,373	\$17,149,638	12.5%
Stralem Large Cap	\$14,833,117	10.8%	\$0	(\$739,370)	\$229,016	\$14,322,763	10.4%
Total Large Cap Equity	\$48,087,288	35.0%	\$0	(\$1,478,740)	\$1,359,843	\$47,968,391	34.9%
Munder Capital	\$8,993,288	6.5%	\$0	(\$27,398)	\$232,913	\$9,198,803	6.7%
Atlanta Capital	\$9,417,944	6.9%	\$0	(\$27,398)	\$233,873	\$9,624,419	7.0%
Total SMID Cap Equity	\$18,411,232	13.4%	\$0	(\$54,796)	\$466,786	\$18,823,222	13.7%
EuroPacific Growth Fund	\$6,259,041	4.6%	\$0	\$0	(\$45,772)	\$6,213,269	4.5%
Oakmark International	\$6,486,362	4.7%	\$0	\$0	\$244,158	\$6,730,520	4.9%
Oppenheimer Intl Growth	\$6,430,548	4.7%	\$0	\$0	\$9,872	\$6,440,420	4.7%
Total Intl Equity	\$19,175,951	14.0%	\$0	\$0	\$208,258	\$19,384,209	14.1%
Principal U.S. Property	\$12,063,131	8.8%	\$0	\$0	\$511,599	\$12,574,730	9.1%
JP Morgan Infrastructure	\$12,709,519	9.3%	\$0	(\$159,580)	(\$249,860)	\$12,300,079	8.9%
JP Morgan Maritime	\$275,663	0.2%	\$109,593	\$0	(\$38,396)	\$346,860	0.3%
Total Real Assets	\$25,048,313	18.2%	\$109,593	(\$159,580)	\$223,343	\$25,221,669	18.3%
Richmond Capital Fixed	\$26,662,973	19.4%	\$0	\$0	(\$591,945)	\$26,071,028	19.0%
Total Fixed Income	\$26,662,973	19.4%	\$0	\$0	(\$591,945)	\$26,071,028	19.0%
Total Fund	\$137,385,757	100%	\$109,593	(\$1,693,116)	\$1,666,285	\$137,468,519	100%
<i>Receipts & Disbursements</i>	<i>\$368,916</i>		<i>\$2,399,019</i>	<i>(\$2,672,062)</i>	<i>\$4</i>	<i>\$95,877</i>	
Total Fund + R&D Acct.	\$137,754,673		\$2,508,612	(\$4,365,178)	\$1,666,289	\$137,564,396	

For this report, all performance and asset allocation information for the Total Fund does not include the Receipts & Disbursements Account.

The inception date for the JP Morgan Infrastructure account was November 20, 2008.

The inception date for the Oakmark International Fund was February 29, 2012.

The inception date for the Oppenheimer Intl Growth Fund was February 29, 2012.

The inception date for the Atlanta Capital account was May 6, 2012.



VI. TOTAL FUND PERFORMANCE COMPARISONS

Manager/Index/Universe	Quarter	1 Year	3 Year	5 Year
Total Fund - Gross of Fees	1.3%	15.9%	12.8%	4.6%
Total Fund - Net of Fees	1.1%	15.3%	12.3%	4.1%
Target Index	0.7%	12.9%	12.2%	5.7%
vs. Total Public Fund Sponsors	9	5	11	72
Total Domestic Equities	2.8%	24.1%	18.2%	6.3%
80% Russell 1000/ 20% Russell 2000	2.7%	21.8%	18.7%	7.5%
vs. Equity Returns of Public Funds	40	18	57	61
Total International Equities	1.1%	24.1%	11.0%	2.3%
MSCI EAFE Index (Net)	-1.0%	18.6%	10.0%	-0.6%
vs. Intl Equity Returns of Public Funds	5	5	29	17
Total Real Estate	4.2%	12.8%	15.3%	-0.9%
NCREIF ODCE Fund Index	3.9%	12.2%	15.0%	-0.1%
NCREIF Property Index	2.9%	10.7%	13.1%	2.8%
vs. Real Estate Returns of Total Funds	11	18	26	55
Total Infrastructure	-1.9%	5.8%	6.3%	n/a
CPI + 3.0%	1.1%	4.8%	5.3%	n/a
Total Fixed Income	-2.3%	0.2%	4.4%	6.6%
Barclays U.S. Aggregate	-2.3%	-0.7%	3.5%	5.2%
vs. Fixed Inc Returns of Public Funds	49	81	67	27

Current Target Index: 30% Russell 1000 /10% Russell 2500/25% Barclays US Aggregate/15% MSCI EAFE (Net)/10% NCREIF/10% CPI+3%. Prior to January 1, 2012: 30% Russell 1000 /10% Russell 2000/20% Barclays US Aggregate/15% MSCI EAFE (Net)/10% NCREIF/15% CPI+4%. Prior to 4Q08, the Target Index was comprised of 40% Russell 1000 /10% Russell 2000/30% Barclays US Aggregate/10% MSCI EAFE (Net)/10% NCREIF. Prior to September 2007 the Target Index was comprised of 40% Russell 1000/10% Russell 2000/30% ML Govt/Corp Master/10% MSCI EAFE (Net)/10% NCREIF.

VII. EQUITY MANAGER COMPARISON

Manager/Index/Universe	Quarter	1 Year	3 Year	5 Year
DePrince, Race, and Zollo	4.2%	31.2%	19.3%	10.3%
Russell 1000 Value	3.2%	25.3%	18.5%	6.7%
vs. Large Value Equity Portfolios	36	16	30	4
Rhumblin	2.6%	21.2%	18.6%	7.3%
Russell 1000	2.7%	21.2%	18.6%	7.1%
vs. Large Neutral Equity Portfolios	70	44	42	38
Stralem Large Cap	1.5%	16.5%	n/a	n/a
Russell 1000 Growth	2.1%	17.1%	n/a	n/a
vs. Large Growth Equity Portfolios	65	71	n/a	n/a
Munder Capital	2.6%	24.0%	20.2%	8.2%
Russell MidCap Growth	2.9%	22.9%	19.5%	7.6%
vs. Midcap Growth Equity Portfolios	46	42	37	50
Atlanta Capital (incept 5/6/12)	2.5%	26.5%	n/a	n/a
Russell 2500	2.3%	25.6%	n/a	n/a
vs. SMID Equity Portfolios	49	38	n/a	n/a



Equity Portfolio Summary: Total Fund*

	Portfolio	80% R1000/20% R2000
Total Number Of Securities	204	2,989
Equity Market Value	84,902,679	
Average Capitalization \$(000)	47,698,193	75,466,482
Median Capitalization \$(000)		
Equity Segment Yield	1.6	1.9
Equity Segment P/E - Average	14.9	22.6
Equity Segment P/E - Median		
Equity Segment Beta	0.8	1.1
Price/Book Ratio	1.9	2.3
Debt/Equity Ratio	39.5	48.7
Five Year Earnings Growth	5.5	7.9
Five Year Dividend Growth	3.7	5.0

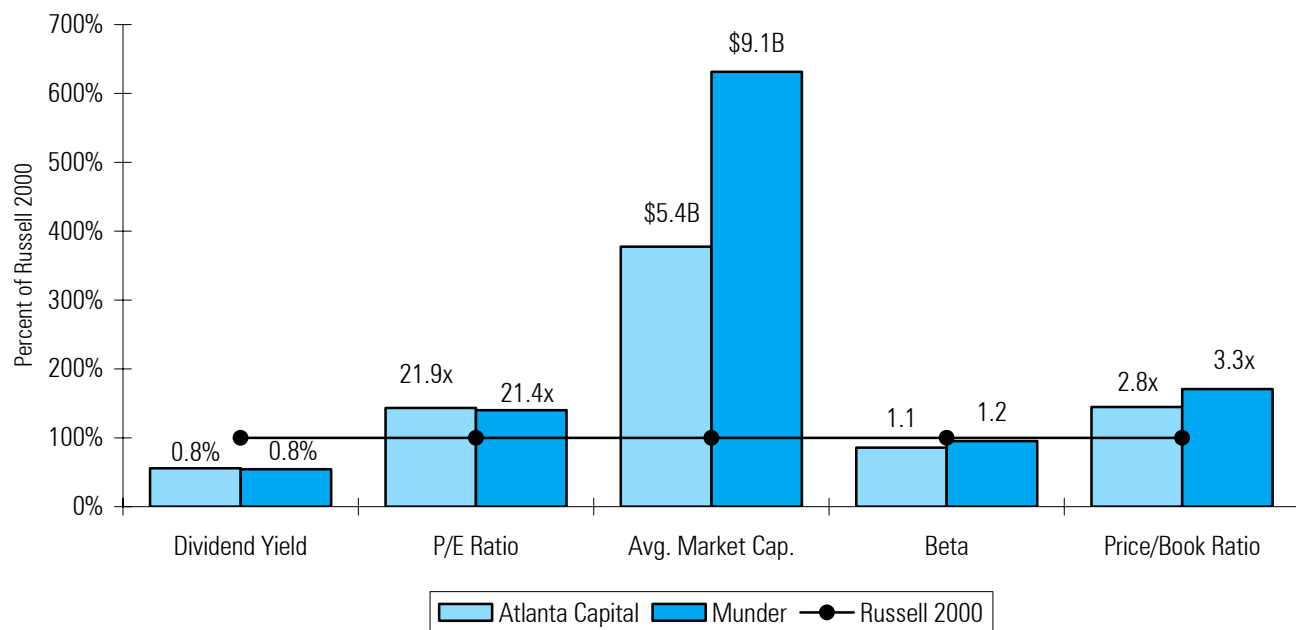
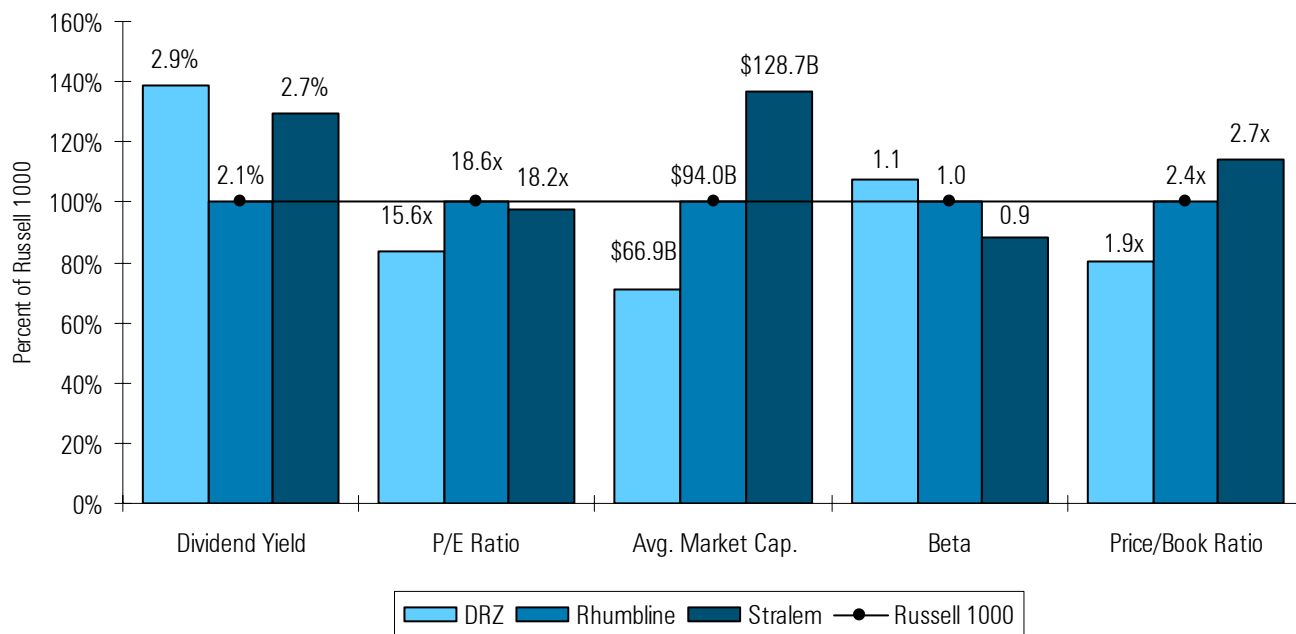
Ten Largest Holdings	Market Value	% of Portfolio	Quarterly Return
Exxon Mobil Corp	849,290	1.8%	1.0%
At&T Inc	810,660	1.7%	-2.4%
Dow Chem Co	807,467	1.7%	2.0%
General Elec Co	786,141	1.6%	1.1%
Du Pont E I De Nemou	756,000	1.6%	7.7%
Intl Business McHn	707,107	1.5%	-10.0%
Philip Morris Intl I	701,622	1.5%	-5.7%
Microsoft Corp	697,506	1.5%	21.5%
Lkq Corp	677,328	1.4%	18.3%
Nextera Energy Inc	668,136	1.4%	5.8%

Ten Best Performers	Quarterly Return	Ten Worst Performers	Quarterly Return
Nu Skin Enterprises	39.0%	Iron Mtn Inc Del	-26.0%
Green Mtn Coffee Roa	32.2%	Terex Corp New	-23.6%
Monster Beverage Cor	27.3%	Cognizant Technology	-18.3%
Guess Inc	26.8%	Freeport-McMoran Cop	-13.0%
Prudential Finl Inc	24.6%	Statoil Asa	-12.7%
Health Mgmt Assoc In	22.1%	Bio Rad Labs Inc	-11.0%
Microsoft Corp	21.5%	Biomarin Pharmaceuti	-10.4%
Metlife Inc	21.2%	Huntsman Corp	-10.3%
Precision Castparts	19.2%	Ansys Inc	-10.2%
Donnelley R R & Sons	19.0%	Copart Inc	-10.2%

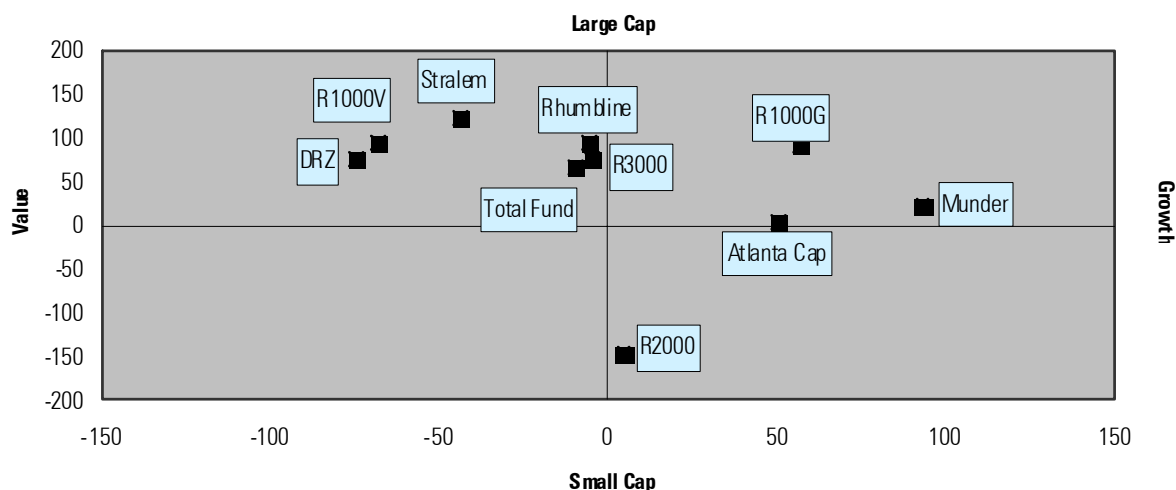
*Does not include Rhumblin as they are invested in a commingled account.



Equity Portfolio Characteristics



Equity Style Map (Current Quarter)



	Growth-Value	Size		Growth-Value	Size
Atlanta Capital	50.4	3.7	Total Fund	-9.5	64.9
DePrince Race Zollo	-74.5	75.7	Russell 2000	4.6	-146.3
Munder Capital	93.1	21.7	Russell 3000	-4.9	74.1
Rhumblin	-5.7	92.8	Russell 1000 Growth	56.9	91.5
Stralem Large Cap	-44.0	122.1	Russell 1000 Value	-67.8	94.2

VIII. INTERNATIONAL EQUITY PERFORMANCE COMPARISONS

Manager/Index/Universe	Quarter	1 Year	3 Year	5 Year
EuroPacific Growth	-0.7%	15.9%	9.6%	1.5%
MSCI EAFE (Net)	-1.0%	18.6%	10.0%	-0.6%
vs. International Equity Mutual Funds	29	41	34	24
Oakmark International	3.8%	34.5%	n/a	n/a
MSCI EAFE (Net)	-1.0%	18.6%	n/a	n/a
vs. International Equity Mutual Funds	2	1	n/a	n/a
Oppenheimer International Growth	0.2%	22.4%	n/a	n/a
MSCI EAFE (Net)	-1.0%	18.6%	n/a	n/a
vs. International Equity Mutual Funds	18	8	n/a	n/a



American Funds EuroPacific Gr R6

Overall Morningstar Rtg™
☆☆☆ (710)
Morningstar Analyst Rtg™
Gold 07-26-2012

Morningstar Cat
Foreign Large Blend (MF)
Total Assets
\$109,390 mil

Standard Index
MSCI Eafe Ndrtr_D
Category Index
MSCI ACWI Ex USA NR USD

Incept
05-01-09
Type
MF

Performance 06-30-2013

Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2011	3.58	1.05	-20.81	4.59	-13.31
2012	12.38	-6.13	7.34	5.65	19.64
2013	2.94	-0.73	—	—	2.19

Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	15.89	9.44	—	—	11.71
Std 06-30-2013	15.89	—	—	—	11.71
Total Return	15.89	9.44	1.41	9.71	11.71
+/- Std Index	-2.73	-0.60	2.04	2.04	—
+/- Cat Index	2.26	1.45	2.21	1.09	—
% Rank Cat	54	51	12	8	—
No. in Cat	793	710	622	324	—
7-day Yield	—	—	—	—	—

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and ten-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-421-4225 or visit www.americanfunds.com.

Fees and Expenses

Sales Charges	
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	
Management Fees %	0.42
12b1 Expense %	NA
Prospectus Gross Exp Ratio %	0.50

Risk and Return Profile

	3 Yr	5 Yr	10 Yr
	710 funds	622 funds	324 funds
MorningstarRating™	3★	4☆	5☆
Morningstar Risk	-Avg	-Avg	-Avg
Morningstar Return	Avg	+Avg	High

	3 Yr	5 Yr	10 Yr
Standard Deviation	17.41	21.85	17.42
Mean	9.44	1.41	9.71
Sharpe Ratio	0.60	0.16	0.53

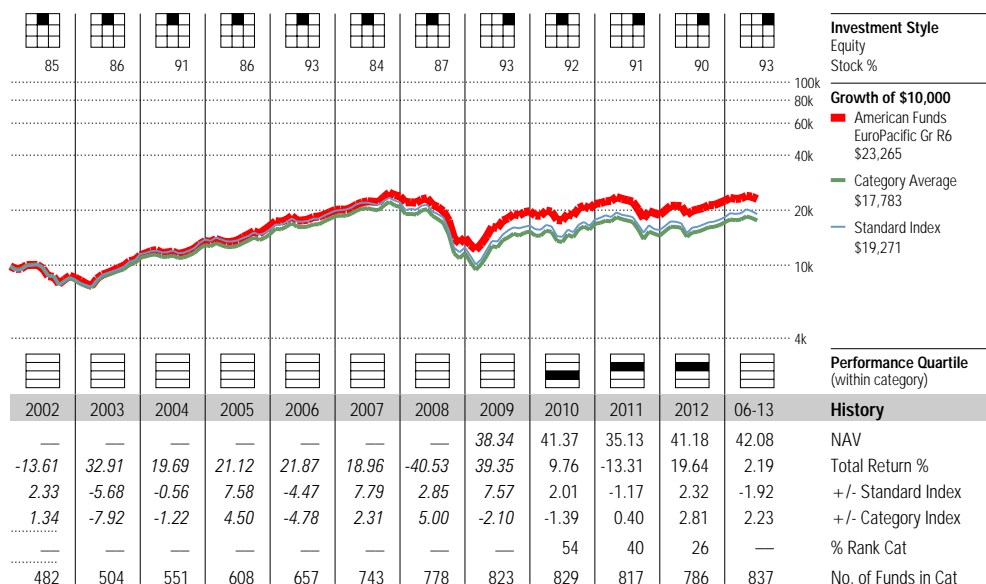
MPT Statistics	Standard Index	Best Fit Index
		MSCI ACWI Ex USA NR USD
Alpha	0.10	1.72
Beta	0.93	0.94
R-Squared	95.40	97.71

12-Month Yield	—
30-day SEC Yield	—
Potential Cap Gains Exp	15.00% Assets

Operations

Family:	American Funds	Objective:	Foreign Stock
Manager:	Knowles/Lee/Grace/Lykeus/Thomson	ticker:	REGRX
Tenure:	13.0 Years	Minimum Initial Purchase:	\$0

Minimum IRA Purchase:	\$0
Min Auto Investment Plan:	\$0
Purchase Constraints:	A/



Portfolio Analysis 03-31-2013

Composition %	Long %	Short%	Net %	Share Chg since 12-31-2012	Share Amount	299 Total Stocks	77 Total Fixed-Income	% Net Assets
Cash	5.0	0.0	5.0			27%	Turnover Ratio	
U.S. Stocks	0.1	0.0	0.1	⊖	22 mil	Novo Nordisk A/S		3.57
Non-U.S. Stocks	93.2	0.0	93.2	⊕	56 mil	SOFTBANK Corp		2.53
Bonds	0.5	0.0	0.5	⊖	2 mil	Samsung Electronics Co Ltd		2.37
Other	1.2	0.0	1.2	⊕	32 mil	Novartis AG		2.23
Total	100.0	0.0	100.0	⊕	20 mil	Bayer AG		2.03
Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat				
Value Blend Growth	P/E Ratio TTM	15.8	1.06	1.10	⊖	22 mil	Nestle SA	1.59
	P/C Ratio TTM	11.0	1.36	1.28	⊕	366 mil	Barclays PLC	1.59
	P/B Ratio TTM	1.9	1.30	1.11	⊖	15 mil	Anheuser-Busch Inbev SA	1.51
	Geo Avg Mkt Cap \$mil	34827	1.08	1.31	⊕	2 bil	FHLMC	1.49
					⊕	92 mil	Prudential PLC	1.47
					⊖	425 mil	Taiwan Semiconductor Manufact	1.41
					⊕	25 mil	British American Tobacco PLC	1.30
					⊕	15 mil	Murata Mfg Co., Ltd.	1.12
					⊕	72 mil	Housing Development Finance C	1.07
					⊕	28 mil	Honda Motor Co Ltd	1.03

Fixed-Income Style

Ltd	Mod	Ext	Avg Eff Duration	—
			Avg Eff Maturity	—
			Avg Credit Quality	—
			Avg Wtd Coupon	0.25
			Avg Wtd Price	100.02

Credit Analysis NA

	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR/NA	—

Regional Exposure

	Stocks %	Rel Std Index
Americas	4.0	—
Greater Europe	57.4	0.89
Greater Asia	38.6	1.09

Sector Weightings

	Stocks %	Rel Std Index
Cyclical	38.8	0.87
Basic Materials	6.0	0.69
Consumer Cyclical	13.6	1.21
Financial Services	17.8	0.84
Real Estate	1.5	0.42
Sensitive	34.6	1.18
Communication Services	6.8	1.26
Energy	4.7	0.66
Industrials	11.1	0.96
Technology	12.0	2.35
Defensive	26.5	1.02
Consumer Defensive	11.3	0.96
Healthcare	13.8	1.33
Utilities	1.4	0.38

Oakmark International I

Overall Morningstar Rtg™
★★★★★ (710)
Morningstar Analyst Rtg™
Gold 09-27-2012

Morningstar Cat
Foreign Large Blend (MF)
Total Assets
\$17,066 mil

Standard Index
MSCI Eafe Ndttr_D
Category Index
MSCI ACWI Ex USA NR USD

Incept
09-30-92
Type
MF

Performance 06-30-2013

Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2011	2.27	2.12	-20.42	3.41	-14.07
2012	16.80	-10.14	8.17	13.82	29.22
2013	5.35	3.76	—	—	9.32

Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	34.59	14.35	9.92	11.08	10.59
Std 06-30-2013	34.59	—	9.92	11.08	10.59
Total Return	34.59	14.35	9.92	11.08	10.59
+/- Std Index	15.97	4.31	10.55	3.41	—
+/- Cat Index	20.96	6.36	10.72	2.46	—
% Rank Cat	1	2	1	4	—
No. in Cat	793	710	622	324	—
7-day Yield	—	—	—	—	—

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and ten-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-625-6275 or visit www.oakmark.com.

Fees and Expenses

Sales Charges

Front-End Load %

NA

Deferred Load %

NA

Fund Expenses

Management Fees %

0.88

12b1 Expense %

NA

Prospectus Gross Exp Ratio %

1.06

Risk and Return Profile

	3 Yr 710 funds	5 Yr 622 funds	10 Yr 324 funds
MorningstarRating™	5★	5★	5★
Morningstar Risk	+ Avg	+ Avg	Avg
Morningstar Return	High	High	High

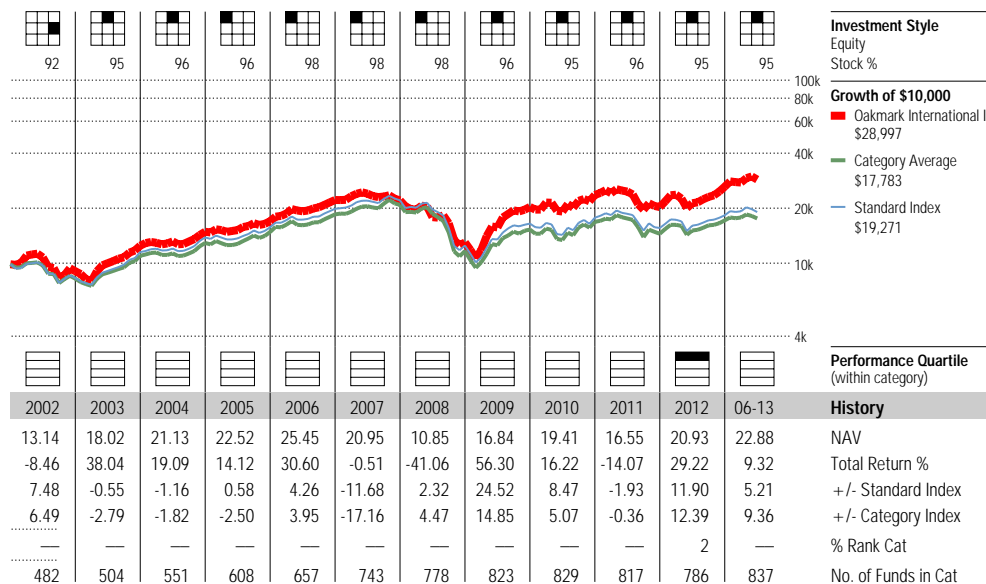
	3 Yr	5 Yr	10 Yr
Standard Deviation	19.11	24.11	18.84
Mean	14.35	9.92	11.08
Sharpe Ratio	0.80	0.50	0.56

MPT Statistics	Standard Index	Best Fit Index MSCI EAFE Ndttr_D
Alpha	4.08	4.08
Beta	0.99	0.99
R-Squared	91.03	91.03

12-Month Yield	—
30-day SEC Yield	—
Potential Cap Gains Exp	13.00% Assets

Operations

Family:	Oakmark
Manager:	Taylor/Herro
Tenure:	12.6 Years



Portfolio Analysis 03-31-2013

Composition %	Long %	Short%	Net %	Share Chg since 12-31-2012	Share Amount	56 Total Stocks	0 Total Fixed-Income	38% Turnover Ratio	% Net Assets
Cash	4.5	0.0	4.5	—	—	—	—	—	—
U.S. Stocks	3.3	0.0	3.3	+	21 mil	Credit Suisse Group	—	—	3.82
Non-U.S. Stocks	91.4	0.0	91.4	+	354 mil	Intesa Sanpaolo	—	—	3.65
Bonds	0.0	0.0	0.0	+	9 mil	Daimler AG	—	—	3.63
Other	0.7	0.0	0.8	+	595 mil	Lloyds Banking Group PLC	—	—	3.11
Total	100.0	0.0	100.0	+	8 mil	BNP Paribas	—	—	3.04

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	P/E Ratio TTM	17.5	1.17	1.22
	P/C Ratio TTM	11.2	1.39	1.31
	P/B Ratio TTM	1.4	0.95	0.82
	Geo Avg Mkt Cap \$mil	24640	0.77	0.93

Fixed-Income Style

Ltd	Mod	Ext	Avg Eff Duration	—
			Avg Eff Maturity	—
			Avg Credit Quality	—
			Avg Wtd Coupon	—
			Avg Wtd Price	—

Credit Analysis NA

	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR/NA	—

Regional Exposure

	Stocks %	Rel Std Index
Americas	6.3	—
Greater Europe	66.6	1.03
Greater Asia	27.1	0.77

Sector Weightings

	Stocks %	Rel Std Index
Cyclical	58.8	1.31
Basic Materials	7.4	0.85
Consumer Cyclical	20.7	1.85
Financial Services	30.7	1.45
Real Estate	0.0	0.00
Sensitive	28.6	0.98
Communication Services	0.0	0.00
Energy	0.0	0.00
Industrials	21.5	1.85
Technology	7.1	1.39
Defensive	12.6	0.48
Consumer Defensive	7.9	0.67
Healthcare	4.7	0.45
Utilities	0.0	0.00

Oppenheimer International Growth Y

Overall Morningstar Rtg™
★★★★☆ (223)
Morningstar Analyst Rtg™
Silver 11-06-2012

Morningstar Cat
Foreign Large Growth (MF)
Total Assets
\$9,800 mil

Standard Index
MSCI Eafe Ndr_D
Category Index
MSCI EAFE Growth NR USD

Incept
09-07-05
Type
MF

Performance 06-30-2013

Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2011	3.37	3.99	-17.77	4.86	-7.31
2012	13.56	-6.69	8.14	6.56	22.10
2013	6.06	0.15	—	—	6.22

Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	22.40	14.49	4.73	—	7.43
Std 06-30-2013	22.40	—	4.73	—	7.43
Total Return	22.40	14.49	4.73	11.31	7.43
+/- Std Index	3.78	4.45	5.36	3.64	—
+/- Cat Index	3.73	3.64	5.11	3.69	—
% Rank Cat	4	2	1	2	—
No. in Cat	248	223	183	106	—
7-day Yield	—	—	—	—	—

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and ten-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-225-5677 or visit www.oppenheimerfunds.com.

Fees and Expenses

Sales Charges	
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	
Management Fees %	0.69
12b1 Expense %	NA
Prospectus Gross Exp Ratio %	0.93

Risk and Return Profile

	3 Yr	5 Yr	10 Yr
	223 funds	183 funds	106 funds
MorningstarRating™	5★	5★	5★
Morningstar Risk	Avg	Avg	Avg
Morningstar Return	High	High	High

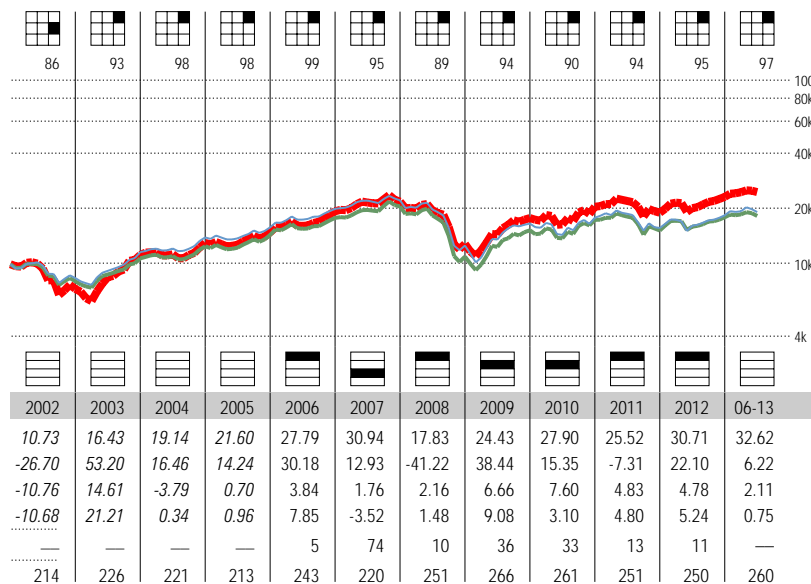
	3 Yr	5 Yr	10 Yr
Standard Deviation	17.39	21.79	17.97
Mean	14.49	4.73	11.31
Sharpe Ratio	0.86	0.31	0.60

MPT Statistics	Standard Index	Best Fit Index
		MSCI EAFE Gr TR
Alpha	4.78	3.65
Beta	0.92	0.96
R-Squared	93.15	96.08

12-Month Yield	—
30-day SEC Yield	—
Potential Cap Gains Exp	23.00% Assets

Operations

Family:	OppenheimerFunds
Manager:	Dunphy/Evans
Tenure:	9.3 Years



Portfolio Analysis 05-31-2013

Composition %	Long %	Short%	Net %
Cash	3.1	0.0	3.1
U.S. Stocks	2.2	0.0	2.2
Non-U.S. Stocks	94.6	0.0	94.6
Bonds	0.0	0.0	0.0
Other	0.0	0.0	0.0
Total	100.0	0.0	100.0

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	P/E Ratio TTM	19.1	1.27	1.13
	P/C Ratio TTM	12.7	1.57	1.26
	P/B Ratio TTM	3.0	2.07	1.25
	Geo Avg Mkt	12208	0.38	0.47
	Cap \$mil			

Fixed-Income Style

Ltd	Mod	Ext	Avg Eff Duration	—
			Avg Eff Maturity	—
			Avg Credit Quality	—
			Avg Wtd Coupon	—
			Avg Wtd Price	—

Credit Analysis NA

	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR/NA	—

Regional Exposure

	Stocks %	Rel Std Index
Americas	5.1	—
Greater Europe	82.4	1.28
Greater Asia	12.5	0.35

Share Chg since 04-30-2013	Share Amount	113 Total Stocks	0 Total Fixed-Income	15% Turnover Ratio	% Net Assets
	54 mil	BT Group PLC			2.51
	3 mil	Sap AG			2.15
	11 mil	Experian PLC			2.09
	696,177	Roche Holding AG			1.78
	24 mil	William Hill PLC			1.63
	7 mil	Aalberts Industries NV			1.62
	2 mil	Heineken N.V.			1.61
	13 mil	LM Ericsson Telephone Company			1.56
	8 mil	Bunzl PLC			1.52
	16 mil	James Hardie Industries PLC D			1.48
	5 mil	United Internet AG			1.46
	651,290	PPR			1.46
	13 mil	Filtrona PLC			1.41
	3 mil	Shoppers Drug Mart Corporatio			1.37
	4 mil	Grifols SA			1.35

Sector Weightings

	Stocks %	Rel Std Index
Cyclical	26.1	0.58
Basic Materials	4.0	0.46
Consumer Cyclical	16.5	1.47
Financial Services	5.6	0.26
Real Estate	0.0	0.00
Sensitive	46.7	1.60
Communication Services	7.1	1.31
Energy	3.8	0.54
Industrials	18.9	1.63
Technology	17.0	3.33
Defensive	27.2	1.05
Consumer Defensive	16.9	1.43
Healthcare	9.6	0.92
Utilities	0.7	0.19

Objective:	Foreign Stock	Minimum IRA Purchase:	\$0
Ticker:	OIGYX	Min Auto Investment Plan:	\$0
Minimum Initial Purchase:	\$0	Purchase Constraints:	T/A/

IX. REAL ASSETS PERFORMANCE COMPARISONS

Manager/Index/Universe	Quarter	1 Year	3 Year	5 Year
Principal U.S. Property	4.2%	12.8%	15.3%	-0.9%
NCREIF ODCE Fund Index	3.9%	12.2%	15.0%	-0.1%
NCREIF Property Index	2.9%	10.7%	13.1%	2.8%
vs. Real Estate Portfolios	16	26	38	50

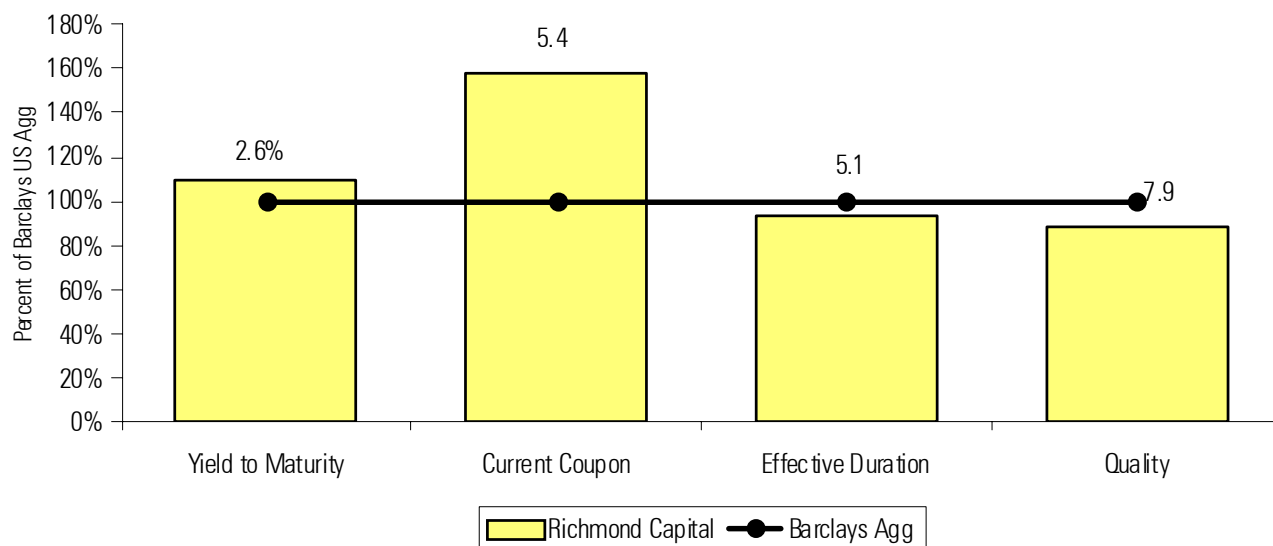
Manager/Index/Universe	Quarter	1 Year	3 Year	5 Year
JP Morgan Infrastructure	-1.7%	6.5%	6.7%	n/a
CPI + 3.0%	1.1%	4.8%	5.3%	n/a
JP Morgan Maritime	n/a	n/a	n/a	n/a
CPI + 3.0%	1.1%	4.8%	5.3%	n/a

JPM Maritime - 3/31/13 JPM statement shows account balance of \$237,2673. JPM has drawn \$888k on \$5MM commitment. SEAS will begin reporting performance once the commitment is fully drawn and/or JPM begins to provide performance data on the fund.

X. FIXED INCOME/ABSOLUTE RETURN PERFORMANCE COMPARISONS

Manager/Index/Universe	Quarter	1 Year	3 Year	5 Year
Richmond Capital	-2.2%	0.2%	4.2%	6.4%
Barclays US Aggregate	-2.3%	-0.7%	3.5%	5.2%
vs. Core Fixed Income Portfolios	23	44	54	30

Fixed Income Portfolio Characteristics



XI. POLICY COMPLIANCE - For Discussion Only

A. Investment Guidelines: Total Fund

Goal	1 Year	3 Years	5 Years
Exceed Target Index	✓	✓	✗
Rank Above 50 th Percentile in Public Fund Universe	✓	✓	72 nd
Earn Average Annual Return of 8.0%	✓	✓	✗
Standard Deviation Relative to Target Index	N/A	>	>

Guideline	Total Fund
Equity securities limited to less than 70% of Total Fund market value	61.8%
Investment in foreign company stock limited to 25% of value of Total Fund	14.1%
Investment in real estate limited to 15% of value of Total Fund	9.2%
Equity securities with Market Cap of less than \$5 billion limited to 25% of market value of Total Fund	✓
Fixed Income portfolio average credit quality of "A" or better	✓
Fixed Income portfolio duration should be < 135% of the market index duration	✓
< 5% of fixed income portfolio (at cost) shall be invested in single corp. issuer	✓

B. Investment Guidelines: DePrince, Race, and Zollo (DRZ)

DePrince, Race, and Zollo Goal	3 Years	5 Years
Exceed Russell 1000 Value performance	✓	✓
Rank Above 50 th Percentile in Large Cap Value Portfolio Universe	✓	✓
Standard Deviation Relative to Russell 1000 Value	>	>

Guideline	Total Fund
Equity securities: <5% equity portfolio cost/market value per single issuer	✓
Cash securities may not exceed 25% (at market) of portfolio	✓

C. Investment Guidelines: Rhumblin

Rhumblin Goal	3 Years	5 Years
Match Russell 1000 performance	✓	✓
Rank Above 50 th Percentile in Large Cap Neutral Universe	✓	✓
Standard Deviation Relative to Russell 1000	=	<



D. Investment Guidelines: Stralem Large Cap

Stralem Large Cap Goal	3 Years	5 Years
Exceed Russell 1000 Growth performance	N/A	N/A
Rank Above 50 th Percentile in Large Cap Growth Universe	N/A	N/A
Standard Deviation Relative to Russell 1000 Growth	N/A	N/A

Guideline	Total Fund
Equity securities: <5% equity portfolio cost/market value per single issuer	✓
Cash securities may not exceed 25% (at market) of portfolio	✓

E. Investment Guidelines: Munder Capital

Munder Capital Goal	3 Years	5 Years
Exceed Russell Midcap Growth performance	✓	✓
Rank Above 50 th Percentile in Mid Cap Growth Universe	✓	✓
Standard Deviation Relative to Russell Midcap Growth	<	<

Guideline	Total Fund
Equity securities: <5% equity portfolio cost/market value per single issuer	✓
Cash securities may not exceed 25% (at market) of portfolio	✓

F. Investment Guidelines: Atlanta Capital

Atlanta Capital Goal	3 Years	5 Years
Exceed Russell 2500 performance	N/A	N/A
Rank Above 50 th Percentile in SMID Cap Universe	N/A	N/A
Standard Deviation Relative to Russell 2500	N/A	N/A

Guideline	Total Fund
Equity securities: <5% equity portfolio cost value per single issuer	✓
Cash securities may not exceed 25% (at market) of portfolio	✓



G. Investment Guidelines: EuroPacific Growth

EuroPacific Growth Goal	3 Years	5 Years
Exceed MSCI EAFE (Net) performance	✗	✓
Rank Above 50 th Percentile in Intl Equity Fund Universe	✓	✓
Standard Deviation Relative to MSCI EAFE (Net)	>	<

H. Investment Guidelines: Oakmark International

Oakmark International Goal	3 Years	5 Years
Exceed MSCI EAFE (Net) performance	N/A	N/A
Rank Above 50 th Percentile in Intl Equity Fund Universe	N/A	N/A
Standard Deviation Relative to MSCI EAFE (Net)	N/A	N/A

I. Investment Guidelines: Oppenheimer International Growth

Oppenheimer International Growth Goal	3 Years	5 Years
Exceed MSCI EAFE (Net) performance	N/A	N/A
Rank Above 50 th Percentile in Intl Equity Fund Universe	N/A	N/A
Standard Deviation Relative to MSCI EAFE (Net)	N/A	N/A

J. Investment Guidelines: Principal U.S. Property Separate Account

Principal U.S. Property Goal	3 Years	5 Years
Exceed NCRIEF ODCE Index performance	✓	✗
Rank Above 50 th Percentile in Real Estate Portfolio Universe	✓	✓
Standard Deviation Relative to NCRIEF ODCE Index	>	>



K. Investment Guidelines: Richmond Capital

Richmond Capital Goal	3 Years	5 Years
Exceed Barclays Aggregate Index performance	✓	✓
Rank Above 50 th Percentile in Core Fixed Income Universe	54 th	✓
Standard Deviation Relative to Barclays Aggregate	<	>

Guideline	Total Fund
Fixed Income portfolio average credit quality of "A" or better	✓
Fixed Inc. portfolio duration should be <135% of the index duration	✓
< 5% of fixed income portfolio (at cost) shall be invested in single corp issuer	✓

L. Manager Status

Manager	Status	Effective Date
DePrince, Race, and Zollo	Good Standing	
Rhumblin	Good Standing	
Stralem Large Cap	Good Standing	
Munder Capital	Good Standing	
Atlanta Capital	Good Standing	
EuroPacific Growth	Good Standing	
Oakmark International	Good Standing	
Oppenheimer International Growth	Good Standing	
Principal U.S. Property	Good Standing	
Richmond Capital	Good Standing	
JP Morgan Infrastructure	Good Standing	
Salem Trust*	Under Review	2013

*Error found in the DRZ account statement provided by Salem Trust. SEAS has requested a review and possible re-issue of the May 2013 and June 2013 custody statement.

XII. COMMISSION RECAPTURE SUMMARY

Period	Commissions Paid	Commissions Received through Recapture/Rebates
4Q2012	\$2,827	\$94
1Q2013	\$4,663	\$80
2Q2013	\$4,334	\$75
3Q2013		
Fiscal YTD 2013	\$11,824	\$249

Source for commissions paid: Salem Trust custodial statements



XII. HISTORICAL EARNINGS ANALYSIS

Fiscal Year	Fiscal Year Earnings	Fiscal Year Return
2003	\$10,395,140	13.7%
2004	\$8,485,935	9.3%
2005	\$9,033,405	9.8%
2006	\$9,300,446	9.3%
2007	\$17,706,111	16.3%
2008	(\$19,925,235)	-15.8%
2009	(\$6,068,122)	-4.7%
2010	\$7,144,888	7.5%
2011	\$1,993,958	2.5%
2012	\$17,665,210	17.5%
FTYD 2013	\$13,768,594	11.1%
Since Inception	\$69,500,330	6.7%*

*Annualized, before management fees.

XIII. NOTES

- 1) The prior investment consultant, Merrill Lynch Consulting Services, provided all performance and market value data for periods prior to December 31, 2006.
- 2) Performance data for The Plan is based on market value and transaction information provided in the Salem Trust accounting statements. The statements currently provided by Salem Trust are trade date statements.
- 3) Salem Trust reports the JP Morgan Infrastructure fund values via a "shadow entry" which causes this valuation to generally trail by one quarter. Because Salem Trust is the official record-keeper, SEAS uses only these statements for all performance reporting.

